

# ARIZONA PRESERVE INITIATIVE (API)

## **BACKGROUND INFORMATION:**

The Arizona Preserve Initiative (API) was passed by the Arizona State Legislature as HB 2555 and signed into law by the Governor in the spring of 1996. It is designed to encourage the preservation of select parcels of state Trust land in and around urban areas for open space to benefit future generations. The law lays out a process by which Trust land can be leased for up to 50 years or sold for conservation purposes. Leases and sales must both occur at a public auction.

Conservation is defined in the law as “protection of the natural assets of state Trust land for the long-term benefit of the land, the beneficiaries, lessees, the public, and unique resources such as open space, scenic beauty, protected plants, wildlife, archaeology, and multiple use values.” Under the original legislation, only Trust land within incorporated cities and towns, within one mile of incorporated municipalities of less than 10,000 persons, or within three miles of municipalities equal to or greater than 10,000 persons may be reclassified for conservation purposes.

In 1997, 1998, and 1999 amendments to the API were passed and signed into law. The revisions expanded the applicable area in Maricopa County and Pima County up to an additional ten miles beyond the 1996 boundaries and made specific Pinal and Coconino County lands adjacent to the Superstition Mountains and the San Tan Mountains near Metro Phoenix, within the Tortolita Mountains near Tucson, and southwest of Flagstaff eligible for conservation consideration. Among other provisions, a public-private matching grant program was created under the auspices of the State Parks Board for acquisition or lease of state Trust lands for conservation. Proposition 303, passed by voters in November, 1998, funds the grant program for 11 years beginning in July, 2000. Also clarified was the establishment of a lower bond for sale or lease applications and changes in the appraisal process.

A state or local government, business, state land lessee or a group of citizens may petition the State Land Commissioner to have certain Trust land nominated and reclassified for conservation purposes. After all appropriate notifications, public hearings, consideration of physical and economic impacts to lessees and the Trust, the Commissioner may reclassify the subject land as suitable for conservation purposes. The Commissioner must consider recommendations from a five-member Conservation Advisory Committee that was established by law, as well as consult with local and regional planning authorities. Existing leases on any land reclassified for conservation purposes may not be canceled or impaired in any way.

Once the land is reclassified, the Commissioner may adopt a coordination plan, prepared by the interested parties, for the property to protect conservation values. The Commissioner may also withdraw land from sale or lease for three to five years (with a possible extension of up to three years) to allow prospective lessees or purchasers time to prepare the plan for the property and to raise funds.

With one independent appraisal and an independent review appraisal of the fair market value and required legal notice, a conservation lease or sale may be auctioned. The land value cannot be reduced because of the conservation purpose.

If an existing lease is not renewed because a conservation lease is issued, the former lessee must receive compensation for the loss of lease and reimbursable improvements. If the land is sold for conservation purposes, the lease must be allowed to continue to the end of its term. If that lease were to be modified or canceled by the new owner, the law provides for compensation by the new owner to the lessee.

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